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By Appointment Only

## MEMORANDUM

**TO:** Karla Houchins  
**FROM:** Richard D. Watters  
**SUBJECT:** Landmark Hospital Transitional Recovery Center - Columbia (Project #5210)  
**DATE:** August 11, 2015

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Karla:

This is to respond to your email questions of August 5, 2015 regarding the above project.

1. Yes, there should be an "s" at the end of "Oaks."
2. See attached letter.
3. Although this facility will be licensed as an SNF, it will not provide custodial care. It will provide care at a much higher level than almost all other SNFs and, therefore, its facility is built to the highest standards of all SNFs, not the 75 percentile. Therefore, the 75% RS Means is expected to be and is lower than Landmark's costs.

RDW/mkg



August 10, 2015

Dr. William Kapp  
Chairman  
Landmark Hospitals  
Cape Girardeau, MO

Subject: State of Missouri - Certificate of Need Cost Validation  
Landmark Hospitals Transitional Recovery Center - Columbia, MO

Dear Dr. Kapp,

Thank you for the opportunity to assist in the planning and construction of the upcoming Landmark Hospitals Transitional Recovery Center project located in Columbia, MO. We look forward to another successful project with you and your team.

The purpose of this letter is to validate our cost estimate dated June 30, 2015 for the Columbia, MO Transitional Recovery Center located on Hathman Place and Hwy 70. Our estimate of \$9,750,000 (Nine Million Seven Hundred and Fifty Thousand) is based on a new 50,770 square foot Transitional Recovery Center that will start construction within the next 12 months. Layton recently built a facility for Landmark Hospitals and we are very familiar with the facility's detail and construction type.

Layton is a leader in Healthcare Construction throughout the United States and is ranked in the Top 10 Healthcare Construction Managers/General Contractors by Modern Healthcare magazine. We budget and estimate over \$1 billion of healthcare projects annually, similar to the Columbia, MO Landmark Hospital Transitional Recovery Center project and construct over \$400 million of healthcare projects each year. We are very confident in the budget we submitted and can furnish any additional documentation or detail you need to support our budget.

Please don't hesitate to contact me should you need any additional support for the Cost Validation of this future facility.

Sincerely,

Cris Bryant  
Vice President, Healthcare  
Layton Construction Co., Inc.

**Houchins, Karla**

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**From:** Houchins, Karla  
**Sent:** Thursday, August 20, 2015 1:23 PM  
**To:** 'Watters, Richard D.'  
**Subject:** CON Proposals #5209 NS and 5210 NS - Landmark Hospital Transitional Recovery Centers  
**Importance:** High

Rick,

For the two CON Proposals #5209 NS and #5210 NS - Landmark Hospital Transitional Recovery Centers, the timeline of events in the application does not seem to be correct. If they are not correct, please provide correct timelines. Also, if the first three years following completion is not 2017, 2018 and 2019, provide utilization and a revised Revenues and Expenses forms for the third full year.

Can you provide this by noon tomorrow?

**Karla Houchins**

Program Coordinator, Certificate of Need  
Department of Health and Senior Services  
3418 Knipp Drive, P.O. Box 570  
Jefferson City, MO 65102  
573-751-6700  
FAX: 573-751-7894

EMAIL: [karla.houchins@health.mo.gov](mailto:karla.houchins@health.mo.gov)

<http://health.mo.gov/information/boards/certificateofneed/index.php>

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generation electronic medical record, Chartpad, which will provide a seamless link to Landmark Hospital and other local hospitals to better coordinate care of the patients. Chartpad uses a voice-driven electronic health record that is simple and intuitive and incorporates telemedicine to allow physicians to remotely view and evaluate their patients. LHTRC will also employ, Sotera Wireless, an individual patient monitoring system that non-invasively and continuously collects and transmits patient data, such as blood pressure, heart, oxygen saturation, patient position and EKG, to Chartpad and a monitoring station so that any deterioration of the resident's condition is promptly identified and corrected.

LHTRC will be unique in that it will allow medically complex patients to be treated by the same physicians and nurses that have followed them in Landmark Hospital. As patients move through the post- acute continuum, they can rest assure that the same care team will follow them from hospital to LHTRC to home. This will minimize medication errors, ensure proper post discharge orders are carried out, and thereby markedly improve patient outcomes. Currently, hospitals under the ACA will be penalized if there is a readmission of its patients within 30 days, which such penalty can be up to 3%. By creating this integrated post-acute care delivery system patients will benefit and costs will be reduced by avoiding unnecessary readmissions and intervening early before a patient's condition deteriorates to a point requiring readmission.

2. **Provide a timeline of events for the project, from the issuance of the CON through project completion.**

CON approval – September 2015  
Construction begins – February 1, 2016  
Construction completed –February 1, 2017  
Licensure – March 1, 2017  
Admit residents – March 15, 2017

3. **Provide a legible city or county map showing the exact location of the proposed facility.**

Attached.

4. **Provide a site plan for the proposed project.**

Attached.

5. **Provide preliminary schematic drawings for the proposed project.**

Attached.

6. **Provide evidence that architectural plans have been submitted to the DHSS.**

Please see attached letter of transmittal to Tracy Cleeton, dated June 30, 2015.

July 8, 2015

Missouri Certificate of Need Program  
Missouri Health Facilities Review Committee  
3418 Knipp Drive, Suite F  
Jefferson City, MO 65109

Dear Committee Members:

Landmark Holdings of Missouri is applying for a Certificate of Need to build a 60 bed Skilled Nursing Facility in Columbia. This facility would operate as a Transitional Recovery Center for patients that are chronically critically ill, but not currently in an acute phase of their illness.

Currently there are no skilled nursing facilities in the State of Missouri that accept a patient on a ventilator and few that accept a patient with a tracheostomy. Discharge from an acute care setting can be difficult, if not impossible, even though acute care is not the appropriate level for such a patient. Many times a patient needs continuing care in a facility operating as a Transitional Recovery Center, allowing the patient continuity of care with their recovery team.

As a Trauma Surgeon in the University of Missouri Health System I am in support of Landmark's request to add skilled nursing beds because I believe this will be beneficial in our healthcare continuum.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey Litt', with a long horizontal flourish extending to the right.

Jeffrey Litt, DO  
University of MO Health System  
One Hospital Drive  
Columbia, MO 65212

July 13, 2015

Missouri Certificate of Need Program  
Missouri Health Facilities Review Committee  
3418 Knipp Drive, Suite F  
Jefferson City, MO 65109

Dear Committee Members:

Landmark Holdings of Missouri is applying for a Certificate of Need to build a 60 bed Skilled Nursing Facility in Columbia. This facility would operate as a Transitional Recovery Unit for patients that are chronically critically ill, but not currently in an acute phase of their illness.

Currently there are no skilled nursing facilities in the State of Missouri that accept a patient on a ventilator and few that accept a patient with a tracheostomy. Discharge from an acute care setting can be difficult, if not impossible, even though acute care is not the appropriate level for such a patient. Many times a patient needs continuing care in a facility operating as a Transitional Recovery Unit, allowing the patient continuity of care with their recovery team.

As a Nephrologist <sup>and Critical Care physician</sup> in Columbia I am in support of Landmark's request to add skilled nursing beds because I believe this will be an asset to the community and beneficial in our healthcare continuum.

Thank you for your consideration.

Sincerely,



Harbaksh Sangha, M.D.

*Critical Care and Nephrology*

July 8, 2015

Missouri Certificate of Need Program  
Missouri Health Facilities Review Committee  
3418 Knipp Drive, Suite F  
Jefferson City, MO 65109

Dear Committee Members:

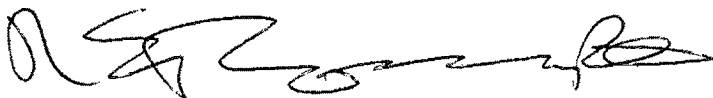
Landmark Holdings of Missouri is applying for a Certificate of Need to build a 60 bed Skilled Nursing Facility in Columbia. This facility would operate as a Transitional Recovery Center for patients that are chronically critically ill, but not currently in an acute phase of their illness.

Currently there are no skilled nursing facilities in the State of Missouri that accept a patient on a ventilator and few that accept a patient with a tracheostomy. Discharge from an acute care setting can be difficult, if not impossible, even though acute care is not the appropriate level for such a patient. Many times a patient needs continuing care in a facility operating as a Transitional Recovery Center, allowing the patient continuity of care with their recovery team.

As a Critical Care physician at SSM Health St. Mary's Hospital – Audrain, in Mexico, MO, I am in support of Landmark's request to add skilled nursing beds because I believe this will be beneficial in our healthcare continuum.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Norvin E. Thomas', with a stylized, cursive script.

Norvin E. Thomas, D.O.  
SSM Health St. Mary's Hospital – Audrain  
620 East Monroe  
Mexico, MO 65265